Form 3160-5 (June 2015)

UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

FORM APPROVED OMB NO. 1004-0137 Expires: January 31, 2018

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

Field Own Serial No.

| 6 | lf | Indian, | Allottee | or | l'ribe | Name |
|---|----|---------|----------|----|--------|------|
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|--|--|------------------------------|------------------------------------|-----------------------|--|-------------------------|
| SUBMIT IN | TRIPLICATE - Other ins | tructions on µ | HOBBS | SOCD | 7. If Unit or CA/Agreeme | ent, Name and/or No. |
| Type of Well | | | | | 8. Well Name and No. | |
| ☑ Oil Well ☐ Gas Well ☐ Oth | ner | | MAY 2 | 3 2018 | HENNIN FEDERAL | 12H |
| Name of Operator COG OPERATING LLC | Contact: E-Mail: mreyes1@ | MAYTE X RE concho.com | YES | EIVED | 9. API Well No. 30-025-44640 | |
| 3a. Address 2208 WEST MAIN STREET ARTESIA, NM 88210 | , | 3b. Phone No. Ph: 575-748 | (include area code) | | 10. Field and Pool or Exp WILDCAT; BONE | loratory Area SPRING |
| 4. Location of Well (Footage, Sec., T | ., R., M., or Survey Description | 1) | | | 11. County or Parish, Stat | te |
| Sec 3 T26S R35E NWNE 210 | FNL 2132FEL | | | | LEA COUNTY, NM | 1 |
| 12. CHECK THE AI | PPROPRIATE BOX(ES) | TO INDICAT | TE NATURE O | F NOTICE, | REPORT, OR OTHE | R DATA |
| TYPE OF SUBMISSION | | | TYPE OF | F ACTION | | |
| S Notice of Letons | ☐ Acidize | ☐ Deep | en | ☐ Product | ion (Start/Resume) | ■ Water Shut-Off |
| ■ Notice of Intent | | | aulic Fracturing | ☐ Reclam | ation | ☐ Well Integrity |
| ☐ Subsequent Report | | | Construction | □ Recomp | | Other |
| ☐ Final Abandonment Notice | ☐ Change Plans | □ Plug | and Abandon | | arily Abandon | |
| . | | | Back Water I | | | |
| following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection. COG Operating LLC, respectfully requests approval for the following changes to the originally approved APD. Surface? Requesting change to drill 14?? Hole size instead of the planned 13.5?? changes cement volumes. Drill 14?? hole to 975? Set 1037 45.5# HCL-80 BTC casing @ 975? Cemerified in one stage with Lead: 600 sx of 13.5 ppg Class C + 4% Gel (1.75 cuft/sx, 9 gal/sx) Tail: 250 sx of 14.8 ppg Class C + 1% Cacl2 (1.35 cuft/sx, 6.6 gal/sx) Intermediate - Requesting change to 2 stage cement job. And also running L80EHC pipe. Spec sheet | | | | | | |
| 14. I hereby certify that the foregoing is | Electronic Submission # For COG Committed to AFMSS fo | OPERATING L | LC, sent to the H y MUSTAFA HAC | Hobbs QUE on 05/08 | 3/2018 () | |
| Name (Printed/Typed) MAYTE X REYES Title SENIOR REGUI | | | | REGULAT | ORY ANALYST | |
| Signature (Electronic S | Submission) | | Date 05/07/2 | 018 | | |
| | THIS SPACE FO | OR FEDERA | L OR STATE | OFFICE U | SE | |
| Approved By Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conduct the conductive of the second to th | uitable title to those rights in the act operations thereon. U.S.C. Section 1212, make it a | e subject lease | Office C | | ake to any department or age | Date 5-8-2018 |
| States any false, fictitious or fraudulent | statements or representations as | s to any matter wi | thin its jurisdiction. | | and and another of age | , or any omitte |

Additional data for EC transaction #419177 that would not fit on the form

32. Additional remarks, continued

attached.
Drill 9 7/8? hole to 11,800?
Set 7 5/8? 29.7# L80EHC BTC casing @ 11,800?
Cemented in two stages with ECP/DVT @ 5,270?
Stage 1
Lead: 700 sx of 11.0 ppg Halliburton Neocem Blend (2.81 cuft/sx, 17.4 gal/sx)
Tail: 300 sx of 16.4 ppg Class H (1.10 cuft/sx, 6.0 gal/sx)
Stage 2
Lead: 800 sx of 11.0 ppg Halliburton Neocem Blend (2.81 cuft/sx, 17.4 gal/sx)
Tail: 150 sx of 14.8 ppg Class C (1.35 cuft/sx, 6.6 gal/sx)

Production? Will Remain as planned in APD.

Well will spud in the next 7-10 days.

Specs sheet attached.



API 5CT Casing Performance Data Sheet

Manufactured to specifications of API 5CT 9th edition and bears the API monogram. Designed for enhanced performance through increased collapse resistance.

| Grade | L80EHC | | | |
|---|--|--|--|--|
| | | | | |
| | Pipe Body Mechanical Properties 80,000 psi | | | |
| Minimum Yield Strength | | | | |
| Maximum Yield Strength | 95,000 psi | | | |
| Minimum Tensile Strength | 95,000 psi | | | |
| Maximum Hardness | 23.0 HRC | | | |
| | Sizes | | | |
| OD | 7 5/8 in | | | |
| Nominal Wall Thickness | 0.375 in | | | |
| Nominal Weight, T&C | 29.70 lb/ft | | | |
| Nominal Weight, PE | 29.06 lb/ft | | | |
| Nominal ID | 6.875 in | | | |
| Standard Drift | 6.750 in | | | |
| Alternate Drift | N/A | | | |
| | Minimum Performance | | | |
| Collapse Pressure | 6,220 psi | | | |
| Internal Pressure Yield | 7,310 psi | | | |
| Pipe body Tension Yield | 7,510 psi | | | |
| Internal pressure leak resistance STC/LTC connections | 7,310 psi | | | |
| Internal pressure leak resistance STC/ETC connections | 7,310 psi | | | |
| internal pressure real resistance site connections | , ,020 por | | | |
| | Inspection and Testing | | | |
| Visual | OD Longitidunal and independent 3rd party SEA | | | |
| | Independent 3rd party full body EMI after hydrotest | | | |
| NDT | Calibration notch sensitivity: 10% of specified wall thickness | | | |
| | Cambration notes sensitivity. 10% of specified wan thickness | | | |
| | Color code | | | |
| Pipe ends | One red, one brown and two blue band | | | |
| Couplings | Red with one brown band | | | |

PECOS DISTRICT DRILLING CONDITIONS OF APPROVAL

OPERATOR'S NAME: COG OPERATING LLC.

LEASE NO.: NMNM120365

WELL NAME & NO.: | 12H – HENNIN FEDERAL

SURFACE HOLE FOOTAGE: 210'/N & 2132'/E BOTTOM HOLE FOOTAGE 200'/S & 1980'/E

LOCATION: Section 3.,T26S., R.35E., NMP COUNTY: LEA County, New Mexico

| Potash | © None | Secretary | ↑ R-111-P |
|----------------------|----------------|------------------------|-----------|
| Cave/Karst Potential | € Low | ^C Medium | C High |
| Variance | None | Flex Hose | C Other |
| Wellhead | © Conventional | ^C Multibowl | |
| Other | ☐4 String Area | ☐Capitan Reef | □WIPP |

All previous COAs still apply except for the following:

A. CASING

1. The minimum required fill of cement behind the 7 5/8 inch second intermediate casing is:

Operator has proposed DV tool at depth of 5270', but will adjust cement proportionately if moved. DV tool shall be set a minimum of 50' below previous shoe and a minimum of 200' above current shoe. Operator shall submit sundry if DV tool depth cannot be set in this range. If an ECP is used, it is to be set a minimum of 50' below the shoe to provide cement across the shoe. If it cannot be set below the shoe, a CBL shall be run to verify cement coverage.

- a. First stage to DV tool: Cement to circulate. If cement does not circulate off the DV tool, contact the appropriate BLM office before proceeding with second stage cement job.
- b. Second stage above DV tool:
 - Cement to surface. If cement does not circulate, contact the appropriate BLM office.

MHH 05082018

GENERAL REQUIREMENTS

A. CASING

- 1. Changes to the approved APD casing program need prior approval if the items substituted are of lesser grade or different casing size or are Non-API. The Operator can exchange the components of the proposal with that of superior strength (i.e. changing from J-55 to N-80, or from 36# to 40#). Changes to the approved cement program need prior approval if the altered cement plan has less volume or strength or if the changes are substantial (i.e. Multistage tool, ECP, etc.). The initial wellhead installed on the well will remain on the well with spools used as needed.
- 2. Wait on cement (WOC) for Potash Areas: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi for all cement blends, 2) until cement has been in place at least 24 hours. WOC time will be recorded in the driller's log.
- 3. Wait on cement (WOC) for Water Basin: After cementing but before commencing any tests, the casing string shall stand cemented under pressure until both of the following conditions have been met: 1) cement reaches a minimum compressive strength of 500 psi at the shoe, 2) until cement has been in place at least 8 hours. WOC time will be recorded in the driller's log. See individual casing strings for details regarding lead cement slurry requirements.
- 4. Provide compressive strengths including hours to reach required 500 pounds compressive strength prior to cementing each casing string. Have well specific cement details onsite prior to pumping the cement for each casing string.
- 5. No pea gravel permitted for remedial or fall back remedial without prior authorization from the BLM engineer.
- 6. On that portion of any well approved for a 5M BOPE system or greater, a pressure integrity test of each casing shoe shall be performed. Formation at the shoe shall be tested to a minimum of the mud weight equivalent anticipated to control the formation pressure to the next casing depth or at total depth of the well. This test shall be performed before drilling more than 20 feet of new hole.
- 7. If hardband drill pipe is rotated inside casing, returns will be monitored for metal. If metal is found in samples, drill pipe will be pulled and rubber protectors which have a larger diameter than the tool joints of the drill pipe will be installed prior to continuing drilling operations.
- 8. Whenever a casing string is cemented in the R-111-P potash area, the NMOCD requirements shall be followed.